REMARKS

Claims 1-12, 14-20, 22-26, 35-38, and 44-50 are pending in the present application. Claims 1, 16 and 44 are independent. By this reply, new claims 48-50 have been added, which are fully supported by the original disclosure, e.g., Figs. 10, 11, and 20; page 21, item 'K' of the specification.

PERSON INTERVIEW REQUEST

Applicants hereby respectfully and officially request a personal interview with the Examiner to further discuss the rejections of record. Please contact Applicants' representative, Esther H. Chong (Registration No. 40,953), at the telephone number of the undersigned below, to schedule the interview prior to acting on this case.

DISCLOSURE OBJECTION

In the Advisory Action, the Examiner maintains that the specification is objected to because a few amendments made to the specification allegedly introduce new matter to the disclosure. While Applicants respectfully disagree with the Examiner that such amendments are considered new matter, only to expedite prosecution, these amendments have been removed as indicated above. Accordingly, this objection to the specification has overcome and should be withdrawn.

35 U.S.C. §103 REJECTION

Claims 1-12, 14-20, 22-26, 35-38 and 44-47 remain rejected under 35 U.S.C. §103(a) as being unpatentable over Mao et al. (U.S Patent No. 6,459,427) in view of Eldering et al. (U.S

Patent No. 6,820,277). This rejection, insofar as it pertains to the presently pending claims, is respectfully traversed.

In response to the arguments presented in the Amendment filed on June 22, 2006, the Examiner maintains the prior art rejections for the reasons stated in the Advisory Action. Particularly, the Examiner maintains that the ad characteristics provided by an advertiser in Eldering et al. are equivalent to an ad insertion schedule as recited in independent claims 1, 16 and 44. The Examiner alleges that Eldering et al.'s ad characteristics provided by the advertiser include a broadcast time of the ad to be played. Applicants respectfully and continuously disagree at least for the following reasons.

The purpose of the Eldering et al.'s AMS (Ad Management System) is to facilitate the process of assigning ads to avails for broadcast advertising. By definition, an "avail" in the advertising industry is a particular time slot during which an advertisement can be shown. It has a start time (i.e., broadcast time) and a duration. For example, a 30 second time slot starting at 6:21:30 pm on Aug 5, 2006 would be an avail. The time slot together with the schedule of programming determines the TV program with which the avail is associated. For example, a 6:21:30 pm avail on Aug 5, 2006, might be in the middle of the Six O'clock News. If the broadcast is a digital TV broadcast, there may also be a maximum bitrate for the avail, corresponding to the bitrate allocated to that TV program. It may also be possible to obtain information on the demographics of viewers who are likely to be watching that channel at that time, especially in a cable TV environment, so an avail may have such demographic information associated with it.

An ad has a fixed duration, e.g., 15 seconds, 30 seconds, etc. The advertiser typically has a target audience in mind for an ad, in terms of demographic features of the audience. In a digital

TV context, an ad may have a minimum bitrate necessary for the ad to display attractively. Thus, it makes sense for the advertiser to specify a duration, minimum bitrate, and various demographic characteristics to be associated with an ad, which is taught by Eldering et al.

However, it does not make sense and is clearly non-obvious (and not present) for an advertiser of Eldering et al. to specify particular time slots (insertion schedule) for ads in the AMS, since then all other characteristics that are actually provided by the advertiser of Eldering et al. would be irrelevant, whereby there would be nothing for the AMS of Eldering et al. to do. There would be no point in computing correlations as is done in Eldering et al. The ad could only be assigned to the specified avail (time slot). The whole point of the AMS in Eldering et al. is to take (1) a large collection of ads with various durations, minimum bitrates, and demographic characteristics of the target audience and (2) a large collection of avails with various durations, maximum bitrates and demographic characteristics of the expected audience that will be tuned to the avail, and then use computer-calculated correlations between the characteristics of the ads and avails to facilitate the assignments of ads to avails, i.e., to facilitate the selection of a time slot (or broadcast time) for each ad, *by the AMS, not by an advertiser (content provider)*. The insertion schedule (e.g., broadcast time of an ad) as recited in each independent claim is fundamentally and patentably different from the types of parameters from an advertiser that are used by the AMS to facilitate ad assignments.

This is one of the many reasons why Eldering et al. does not in any way teach or suggest the inclusion of the insertion schedule (e.g., broadcast time) among the input parameters provided by an advertiser. In fact, Eldering et al. actually teaches away from providing the insertion schedule by the advertiser, since having the insertion schedule would render moot the correlation computation operation of the AMS. It is basic patent law that a combination is

improper (due to no motivation to combine) where one of the references teaches away from combining it with the other. *Tec Air. v. Denso*, 192 F.3d 1353, 1360 (Fed. Cir. 1999).

In contrast, according to Applicants' invention, in a different application domain to which the present invention is directed, e.g., distributing data via a broadcast medium such as a digital TV signal, the ability of each content provider to determine the timing of content distribution, and to make his/her own timing trade-offs among different content items he/she wants to distribute, is one of many important aspects of the invention. This is a reason why the present invention gives the content provider maximum freedom to make these decisions, within the context of a bandwidth allocation given to them by the broadcaster, rather than having some kind of automated system trade off the needs of different content providers against each other and make automated scheduling decisions.

In addition, reconsideration of the arguments presented in the Amendment filed on June 22, 2006 is respectfully requested.

In view of the above reasons, Eldering et al.'s ad parameters are not equal to Applicants' insertion schedule, and thus Eldering et al. clearly does not teach or suggest the 'insertion schedule' provided by the content provider, as recited in independent claim 1, and similarly recited in other independent claims 16 and 44. Thus, even if Mao et al. were modified in view of Eldering et al., assuming arguendo, the combination of references would still not teach or suggest at least the above noted feature as recited in independent claims 1, 16 and 44.

Accordingly, independent claims 1, 16 and 44, and their dependent claims (due to the dependency) are patentable over the applied references, and the rejection is improper and should be withdrawn.

NEW CLAIMS

New claims 48-50 emphasize the distinguishing features of the present invention and are thus allowable or are allowable due to their dependency on the independent claims.

CONCLUSION

For the foregoing reasons and in view of the above clarifying amendments, Applicants respectfully request the Examiner to reconsider and withdraw all of the objections and rejections of record, and earnestly solicits an early issuance of a Notice of Allowance.

Should there be any outstanding matters which need to be resolved in the present application, the Examiner is respectfully requested to contact Esther H. Chong (Registration No. 40,953) at the telephone number of the undersigned below, to conduct an interview in an effort to expedite prosecution in connection with the present application.

Pursuant to 37 C.F.R. §§ 1.17 and 1.136(a), Applicants respectfully petition for a two (2) month extension of time for filing a response in connection with the present application and the required fee of $450.00 is attached herewith.

If necessary, the Commissioner is hereby authorized in this, concurrent, and further replies, to charge payment or credit any overpayment to Deposit Account No. 02-2448 for any additional fees required under 37 C.F.R. § 1.16 or under 37 C.F.R. § 1.17; particularly, extension of time fees.

Dated: **AUGUST 22, 2006**

Respectfully submitted,

BIRCH, STEWART, KOLASCH &, BIRCH, LLP

By Esther Chong

Esther H. Chong
Registration No. 40,953
BIRCH, STEWART, KOLASCH & BIRCH, LLP
8110 Gatehouse Road
Suite 100 East
P.O. Box 747
Falls Church, Virginia 22040-0747
(703) 205-8000
Attorney for Applicant